## Before the **Federal Communications Commission** WASHINGTON, D.C. 20554

In the Matter of	)	
	)	WC Docket No. 17-244
Nationwide Number Portability	)	
•	)	WC Docket No. 13-97
Numbering Policies for Modern Communications	)	

### COMMENTS OF CINCINNATI BELL TELEPHONE COMPANY LLC

On October 26, 2017, the Commission released a Notice of Proposed Rulemaking ("NPRM") and Notice of Inquiry ("NOI") seeking comments on various steps it contemplated taking towards implementing national number portability ("NNP"). Cincinnati Bell Telephone Company LLC ("CBT") is a regional ILEC operating in southwestern Ohio, northern Kentucky and a small part of southeast Indiana and offers these comments.

#### Introduction I.

A major premise of the NPRM is that rural and regional carriers are competitively disadvantaged versus nationwide carriers by the inability of consumers to port telephone numbers into their networks without NNP. The Commission believes "that NNP will level the playing field for many rural and regional carriers who are disadvantaged by the difficulty or outright inability of consumers to port in to their networks." But, the Commission also acknowledges that implementing NNP could result in significant practical harm or be cost prohibitive, so it should proceed very cautiously.

Although CBT appreciates the Commission's concern about such competitive disadvantages to rural and regional carriers, it believes that the costs involved to implement NNP

<sup>2</sup> NPRM, ¶ 19.

<sup>&</sup>lt;sup>1</sup> NPRM, ¶ 5.

will far outweigh the competitive harm that the current lack of NNP imposes on most of these carriers. The Commission appears to have assumed these disadvantages exist anecdotally, but does not appear to have gathered data to determine the magnitude of the issue. CBT would expect this issue to be more significant to wireless carriers, as wireline access lines continue to migrate to wireless through cord cutting and fewer new customers ever install wireline service. CBT is not aware of a significant customer demand to port out-of-territory numbers to new wireline accounts. There is little or no evidence regarding the number of relocating consumers who truly would want to port a wireline telephone number from one region to another. Before embarking down any path that would make NNP mandatory for wireline carriers, the Commission should engage in a proper cost-benefit analysis to determine how many consumers are truly affected by this issue and whether the costs are justified. In addition, since the stated purpose of NNP is to assist rural and regional carriers in being more competitive, those carriers should be allowed to decline to participate if they determine that the cost to implement NNP would outweigh the benefit and should not be forced to shoulder additional costs due to other carriers' decision to participate in NNP.

The potentially tremendous cost of implementing NNP would go largely into upgrading legacy equipment and systems that ultimately will be phased out as the industry continues to transition to IP-based networks. Rather than investing their capital in the deployment of next generation switches and fiber deployment, carriers could be forced to spend millions of dollars to upgrade end-of-life legacy systems to accommodate NNP. CBT recommends that the Commission not pursue any path that would impose costs on carriers to upgrade legacy systems. Even the proposed elimination of the N-1 query requirement could impose significant costs on carriers and should not be adopted. If some rural and regional carriers wish to be able to accept

numbers from disparate parts of the country, CBT suggests that they be allowed to do so via commercial arrangements with other carriers in a manner that does not impose costs on other rural and regional carriers.

#### II. Proposed Rule Changes

### A. The Commission Should Retain the N-1 Query Requirement.

The Commission proposes to eliminate the N-1 query requirement before determining whether or how to implement NNP.<sup>3</sup> The N-1 query requirement has been in effect since local number portability was first implemented and all carrier systems are designed to operate under this regime. It is premature to change it now, prior to a decision regarding the best means by which to implement NNP and even more importantly whether implementation of NNP is even in the public interest. Eliminating the N-1 query would shift costs from the large interexchange carriers to the very small rural and regional local exchange carriers and wireless providers that the NPRM was intended to benefit.

Elimination of the N-1 query requirement will inevitably result in the originating carrier having to query on all calls. The suggestion that an originating carrier could choose to hand off a call that appears to be interLATA to an IXC to query is naïve. Small carriers have no leverage over the large IXCs and there is no reason why these IXCs would continue to incur the cost of conducting queries if they are not mandated to do so. If there are no rules of the road regarding which carrier is responsible for conducting the queries, inefficiencies will occur if calls are sent unqueried. If the terminating carrier receives an unqueried call to a number that had been ported out of its network, it would either have to conduct the query and then reroute it to the appropriate terminating carrier or it could simply not complete the call. Either way the public would

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<sup>&</sup>lt;sup>3</sup> NPRM, ¶ 19.

ultimately pay the price as carriers incur increased costs of inefficient routing or more calls fail to complete.

Assuming the above situation is not acceptable to the Commission, the likely default solution would be to force the originating carrier to query on all calls. The cost of doing so could be significant for a smaller regional carrier like CBT. Currently CBT hosts its own LNP database that contains the roughly 15 million telephone numbers in its region. If it must query on all calls going forward, it would have to expand database capacity to enable it to house the entire LNP database from all regions or it would be forced to use a third party LNP database provider. CBT is still in the process of estimating the cost of these options, but expects that either solution would be very costly. Based on preliminary quotes, CBT estimates that it would have to spend between \$4 million to \$8 million to accommodate the national LNP database needed if the N-1 query requirement is eliminated. Elimination of the N-1 query would also require modification and upgrades of switches and signal transfer points ("STPs") that are nearing their end of life. New investment in these systems holds no opportunity for a positive return. It would not be rational to impose these types of costs on carriers at this point on the off chance that NNP is implemented at some point in the future.

Elimination of the N-1 query prior to the adoption of NNP would provide no consumer benefit, but would impose immediate costs on carriers. Moreover, capital that a carrier is forced to spend to accommodate this change would not be available for investment in broadband networks to bring advanced services that will benefit all consumers. The Commission should not impose any new costs on carriers by eliminating the N-1 query prior to a final determination as to whether NNP is in the public interest and, if so, how it would be implemented. To move forward with elimination of the N-1 query now would suggest that the Commission has

prejudged the outcome of such analysis when, in fact, the accompanying NOI clearly demonstrates that any comprehensive solution to the NNP needs considerable additional development and analysis. Only if a thorough cost benefit analysis supports the implementation of NNP should any changes that impose additional costs on carriers be adopted. Because that has not yet occurred, any modification of the current N-1 query process is unwarranted and premature.

# B. The Remaining Interexchange Dialing Parity Requirements Should Be Eliminated.

The other immediate rule change proposed by the Commission is the elimination of remaining interexchange dialing parity requirements.<sup>4</sup> CBT supports this proposal. As the NPRM notes, these requirements were largely eliminated for ILECs in the *2015 USTelecom Forbearance Order*.<sup>5</sup> Regardless of whether NNP is ultimately implemented, the Commission should level the playing field between ILECs and CLECs by granting the same relief to CLECs as ILECs already have. Unlike elimination of the N-1 query, eliminating this requirement will not increase costs for any carriers and would probably result in a slight reduction in costs for some carriers.

To the extent that elimination of interexchange dialing parity requirements is deemed crucial to the implementation of any NNP solution that is eventually adopted, the Commission should not forget that although it may have eliminated any federal dialing parity requirements that could impede such implementation, some states still have intrastate, interexchange dialing parity requirements in place that might impact any NNP implementation process. The

<sup>&</sup>lt;sup>4</sup> NPRM, ¶ 25.

<sup>&</sup>lt;sup>5</sup> Petition of USTelecom for Forbearance Pursuant to 47 U.S.C. § 160(c) from Enforcement of Obsolete ILEC Legacy Regulations That Inhibit Deployment of Next-Generation Networks et al., Memorandum Opinion and Order, 31 FCC Rcd 6157 (2015).

Commission should clarify whether the dialing parity forbearance granted in the 2015

USTelecom Forbearance Order and any additional forbearance of the remaining dialing parity requirements that may be granted preempts any remaining state dialing parity requirements.

#### **III.** Notice Of Inquiry

The Commission has sought comment on how NNP might be implemented technically and has postulated four potential approaches that are under consideration. Although the concept of NNP is attractive and, with the proliferation of wireless and certain IP-based services, the geographic location of telephone numbers has lost its significance, CBT submits that far more analysis of the options for accomplishing NNP must be done before any decisions can be made on whether the consumer benefits of implementing NNP outweigh the costs. Of the four options included in the NOI, the Commission appears to acknowledge that the only alternative that could be implemented without considerable cost to the industry would be commercial agreements. If the commercial agreement option could be implemented by the carriers that claim to be most disadvantaged by the lack of NNP without imposing costs on other carriers, it is something that should be considered. However, even that option would need to be explored further prior to adoption to ensure the costs are limited to those carriers that opt to enter into such commercial agreements.

All of the other options outlined in the NOI would be complex and extremely costly for all carriers. As noted with respect to the elimination of the N-1 query, many of the costs incurred by companies would be related to upgrading legacy systems. For the small number of carriers and customers who believe that ubiquitous NNP is important, CBT believes that the costs

<sup>&</sup>lt;sup>6</sup> NOI, ¶ 40.

<sup>&</sup>lt;sup>7</sup> NOI, ¶ 56.

imposed on the other carriers cannot be justified. And most importantly, if carriers must spend money to upgrade legacy systems to support NNP, it will inevitably reduce investment in broadband networks and slow the industry transition to IP networks which will be able to support NNP.

#### IV. Conclusion

Before embarking too far down the path of NNP implementation, CBT urges the Commission to engage in an earnest cost benefit analysis to determine if it is worth pursuing. The Commission should not cause the very carriers it says it is trying to help be more competitive to incur unnecessary costs to upgrade legacy systems. Therefore, CBT would urge the Commission not to eliminate the N-1 query requirement at this time. The Commission should go forward with its second proposed rule change - elimination of the remaining toll dialing parity rules - which is justified independent of NNP considerations. Finally, in considering the various technical solutions raised in the NOI, the Commission should endeavor to find the most cost-effective solution and should also provide individual carriers with the flexibility to determine whether they wish to participate and ensure that carriers that those carriers are not burdened with additional costs.

Respectfully submitted,

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